


ITEM No. 7**AGENDA REPORT**
CITY OF MAYWOOD

DATE: MARCH 13, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: DON WAGNER, INTERIM CITY ADMINISTRATOR

BY:  DAVID MANGO, DIRECTOR OF BUILDING AND PLANNING

SUBJECT: TO CONSIDER ENTERING INTO A PROMOTIONAL DISCOUNT AGREEMENT WITH RING, LLC, TO PROVIDE A DISCOUNT FOR RESIDENTS WHO WISH TO PURCHASE RESIDENTIAL SECURITY EQUIPMENT AND AUTHORIZE FUNDING FOR THE REQUIRED MATCH FOR EACH SECURITY SYSTEM

RECOMMENDATION

Staff recommends that the City Council considers entering into a promotional discount agreement with Ring, LLC, which will provide a discount for residents who wish to purchase residential security equipment, to enhance safety and security within the community and authorize funding in an amount determined by the Council to fulfill a required fifty dollar match for each security system.

FISCAL IMPACT

Per the promotional agreement, the City will match a fifty dollar (\$50) discount provided by Ring per resident who purchases security cameras, video doorbells and alarm equipment. Further, it is suggested that the City provides a minimum ten thousand dollar (\$10,000) investment to provide a subsidy to 200 residents.

BACKGROUND

Ring manufactures a range of home security products that incorporate outdoor motion based cameras and doorbells, such as the Ring Video Doorbell. The Ring Video Doorbell is a smart doorbell device that allows users to monitor and operate their front, back and garage doors remotely. When the doorbell is pressed, the Ring application

The Ring Video Doorbell and Security Cameras sends the user instant alerts via cellphone whenever motion is detected. It further allows the sharing of video with neighbors and local law enforcement, allowing for a cooperative effort to reduce crime. In 2016, Ring partnered with Los Angeles Police Department and installed Ring Video Doorbells on 10 percent of homes in Wilshire Park, California. The LAPD's data showed that there was a 55 percent (55%) decrease in break-ins within the first six (6) months of the doorbells being installed. In addition to break-in prevention, Ring products have been cited as aiding the police in identifying perpetrators.

DISCUSSION

If the City Council decides to collaborate with Ring to establish a promotional discount program, the contribution cap must first be determined. To provide a one hundred dollar (\$100) discount per resident, the City will be required to provide a fifty dollar (\$50) match to the Ring discount. Although it is suggested that the City provides a minimum of two hundred (200) such subsidies; the City may provide more or fewer at its discretion. The promotional discount will be provided on a first-come-first-served basis.

The promotional period will expire forty-five (45) days after the commencement of the promotion, or when the contribution cap is reached; whichever occurs first. The City will agree to make reasonable efforts to promote the program on its website and social media platforms. Ring will provide marketing support and materials for the City to distribute to the residents, such as brochures and flyers.

ATTACHMENT 1: Ring Promotional Brochure

ATTACHMENT 2: Proposed Promotional Discount Agreement



Ring wants to help reduce crime in your city!

Ring is excited to propose a solution to help prevent residential burglaries and assist in the investigation of crimes in your community.

Overview

In an effort to reduce local crime and make our neighborhoods safer, Ring has successfully partnered with cities nationwide to implement a home security subsidy program. The subsidy program incentivizes residents to purchase Ring devices at a discounted price, so we can make smart home security accessible to everyone.

About Ring

Ring is on a mission to reduce crime in neighborhoods. Ring Video Doorbells and Security Cameras send you instant alerts on your phone whenever motion is detected. You can see, hear and speak to people on your property from anywhere. If you catch something suspicious, Ring also lets you share the videos with neighbors and local law enforcement, so you can work together to reduce local crime.

Program Details

Ring will give residents \$50 off any Ring Video Doorbell or Security Camera, and the city will match that offer with a \$50 subsidy. Together, we can offer a \$100 discount on Ring products to help residents protect their homes and reduce crime in their neighborhoods. All programs are custom to each location. A minimum investment of \$10,000 from the city, which covers 200 households, is suggested.

Ring allows residents to work together with neighbors and local law enforcement to reduce crime in neighborhoods, so we can help make our communities safer for all.

For more information on how to get started, please contact:

[REDACTED] National Events Manager
[REDACTED]
[REDACTED]



PROMOTIONAL DISCOUNT AGREEMENT

This Promotional Discount Agreement ("Agreement") is made and entered into as of March 13, 2019, 2019 by and between the City of Maywood, a California municipal corporation ("City") and Ring LLC, a Delaware limited liability company ("Ring"). City and Ring are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, Ring produces security cameras, video doorbells and alarm systems for residential use which link smartphone users to their devices.

WHEREAS, with this technology, the homeowner has the capability to see, hear and speak to visitors through their smartphones, tablets or desktops.

WHEREAS, the City desires to collaborate with Ring to establish a promotional discount program whereby City residents can purchase Ring's security cameras, video doorbells and alarm systems for use at residences within the City at a discounted price to enhance security and safety in the community.

WHEREAS, the promotional discount program will be operated on a first-come-first-served basis.

WHEREAS, the City finds that the dedication of public funds under this Agreement will serve the safety of City residents, an issue of important public purpose.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. **Recitals are Part of Agreement.** The preceding Recitals are part of this Agreement.
2. **Ring Obligations.** Ring agrees to do the following in furtherance of this Agreement:
 - a. Ring will collaborate with the City on the distribution and marketing of the [Ring Video Doorbell 2, Ring Video Doorbell Pro, Ring Spotlight Cam Wired, Ring Spotlight Cam Battery, Ring Floodlight Cam, Ring Alarm, Ring Spotlight Cam Solar, Ring Stick Up Cam Wired and Ring Stick Up Cam Battery] (each, a "Product" and collectively, the "Products") to residents of City ("Residents").

- b. During the Promotional Period (as defined below), Ring will directly provide 200 unique promotional codes ("Promotional Codes") to Residents with a One Hundred Dollar (\$100.00) discount off the sales price for one (1) of the Products at checkout.

Each Resident is entitled to only one Promotional Code. Each Promotional Code may only be used once per household. Only codes sent to the resident through Ring communications channels will be valid. Promotional Codes shall only be redeemable for Products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount. Promotional Codes may not be combined with any other offer.

- c. During the Promotional Period, the Promotional Code may be redeemed for (i) a discount of [xx] Dollars (\$xx) per product to apply towards the purchase of any additional Products with a limit of [xx] additional Products per checkout and (ii) a [xx] percent (xx%) discount towards any accessory listed on the company's website with a limit of [xx] accessories at checkout. Such discounts shall only be redeemable for Products being sold at full price, and may not be redeemed for Products that are on sale or are otherwise being offered at a discount.
- d. Ring will fulfill orders for Products when Residents provide information and payment required using the information required for Ring to complete delivery of the Product (including name, address, email address, etc.). Standard delivery shall be in accordance with Ring's then-existing shipping policies. Ring will use commercially reasonable efforts to ship the Products within three (3) business days from date the order was placed.
- e. Ring will provide product and user support to Residents who purchase Products, including warranty for the security device(s) and, if the resident chooses to, the option to hire someone to install the device(s). These options will be provided at checkout at the user's expense.
- f. Ring will provide marketing support and materials for City to distribute to Residents, such as brochures and flyers.
- g. Ring shall contribute Fifty Dollars (\$50.00) of the One Hundred Dollar (\$100.00) discount specified in section 2.b above.
- h. Within thirty days after the end of the Promotional Period, Ring will provide the City with an accounting statement (the "Accounting Statement") setting forth the number of Products purchased using the Promotional Code during the Promotional Period and such other information reasonably requested by City to enable the Parties to

determine the City's required City contribution amount, as specified in Section 3.a below.

3. **City Obligations.** The City agrees to do the following in furtherance of this Agreement:
 - a. Within thirty (30) days of its receipt of the Accounting Statement from Ring, City shall pay Ring an amount equal to Fifty Dollars (\$50.00) of the One Hundred Dollar (\$100.00) discount specified in section 2.b above for the first Product sold to each Resident household during the Promotional Period using a Promotional Code. No other Product is eligible for a City contribution. The maximum contribution payable by the City to Ring under this Agreement shall not exceed Ten Thousand Dollars and no cents (\$10,000) (the "Contribution Cap").
 - b. During the Promotional Period, the City agrees to make reasonable efforts to promote the program provided in this Agreement on the City's website, social media platforms, such as Facebook and Twitter; issue press release(s), and/or have brochures and flyers available at City Hall for the public. The Parties shall agree to a joint press release to be mutually agreed upon by the Parties. The City agrees it shall not issue any press release related to the program without Ring's prior written consent. All press releases issued by the City shall be made available to the public on the City's website, social media platform, or other platform as approved by Ring.
4. **Promotional Period.** The "Promotional Period" shall commence on a date mutually agreed by the Parties and shall expire upon the earlier of the following:
 - a. Forty-five (45) days after the commencement of the Promotional Period; or
 - b. The Contribution Cap has been reached.
5. **Termination.** Each of the City and Ring reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party, except that where termination is due to the fault of the non-terminating party, the period of notice may be such shorter time as may be determined by the terminating party.
6. **Indemnification.**

Ring shall indemnify, defend and hold harmless the City, its officers, officials, employees and volunteers from and against any third party claims, allegations, lawsuits, proceedings, losses, liabilities, damages, judgments, settlements costs or expenses, arising out of Ring's negligence or willful misconduct in connection with performance of this Agreement.

The City shall indemnify, defend and hold harmless Ring, its officers and employees from and against any third party claims, allegations, lawsuits, proceedings, losses, liabilities, damages, judgments, settlements costs or expenses, arising out of City's negligence or willful misconduct in connection with performance of this Agreement.

7. **Limitation of Liability.** In no event will (a) either Party be liable for any loss of data, loss of profits, cost of cover or other special, incidental, consequential, indirect, punitive, exemplary or reliance damages arising from or in relation to this Agreement, however caused and regardless of theory of liability and (b) either Party's aggregate liability for damages or indemnification under this Agreement exceed the Contribution Cap.
8. **Independent Contractor.** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Ring, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Ring's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Ring shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Ring shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Ring in its business or otherwise or a joint venturer or a member of any joint enterprise with Ring.
9. **Governing Law.** This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Ring covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.
10. **Notices.** Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and sent by email, in the case of the City, to the City Attorney, rdiaz@rwglaw.com and in the case of Ring, to August Cziment at a@ring.com and legal@ring.com. Either party may change its email address by notifying the other party of such change.

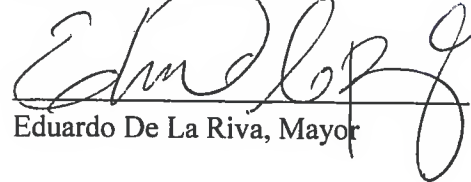
11. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.
12. **Integration; Amendment.** This Agreement is the entire, complete and exclusive expression of the understanding of the Parties. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Ring and by the City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.
13. **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.
14. **Corporate Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

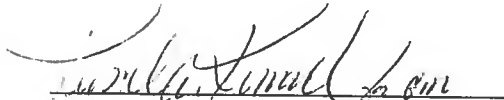
COPY

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY OF MAYWOOD:


Eduardo De La Riva, Mayor

ATTEST:


City Clerk of the City of Maywood

APPROVED AS TO FORM:


City Attorney of the City of Maywood

RING:

RING LLC, a Delaware limited liability company

By: 

Name: Mel Tang
Title: VP

Address: 1523 26th Street, Santa Monica CA
90404